

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

SCHWING AMERICA, INC.

Bky Case No. 09-36760
Chapter 11

Debtor.

**ORDER AUTHORIZING INTERIM USE OF CASH COLLATERAL
AND INTERIM POST-PETITION FINANCING**

This matter came on for hearing on Debtor's Motion for Order (I) Granting Expedited Relief; (II) Authorizing Debtor to Obtain Post-Petition Financing on an Interim and Final Basis; (III) Authorizing Debtor to Use Cash Collateral on an Interim and Final Basis; and (IV) Granting Adequate Protection (the "Motion") filed by Schwing America, Inc. (the "Debtor"). Appearances were noted in the record. Based on the documents on file with the Court and the record and argument at the hearing,

IT IS ORDERED:

1. Debtor is authorized to use up to \$2,060,000 of the cash collateral subject to the security interest of Wells Fargo Bank, National Association and Bank of America, N.A. (together, the "Lender") for the uses set forth on the projections attached to the Motion as Exhibit B through October 15, 2009, provided that no expenses that arose before the commencement of the case shall be paid unless otherwise permitted by order of this Court.
2. As adequate protection to the extent of use of Lender's cash collateral, Debtors are authorized to:

- a. Grant to Lender a replacement lien in Debtor's post-petition assets, which lien shall have the same priority, dignity and effect as Lender's prepetition lien on the prepetition property of Debtor;
 - b. Pay the real estate taxes as described in the Motion;
 - c. Pay interest to the Lender as interest comes due;
 - d. Provide the following reporting to Lender:
 - i. All financial reporting previously required by the Loan Documents;
 - ii. Copies of the monthly reports filed with the U.S. Trustee;
 - iii. Weekly reports on Lender's collateral position which include a signed certificate of inventory levels and an accounts receivable aging; and
 - iv. Monthly balance sheets and income statement, including those for July and August, 2009; and
 - e. Provide Lender with reasonable access to collateral for purposes of collateral inspection, audit and appraisal;
 - f. Remain within the borrowing base formula in effect on at the commencement of the case; and
 - g. Provide the Lender with copies of any term sheet or commitment letter relating to refinancing of the Lender's claims.
3. All cash collateral of the Lender collected by Debtor which is not used under the terms of this Order shall be deposited by Debtor with the Lender and remain segregated from Debtor's other cash.
4. All cash collateral in the possession of the Lender as of the date of this Order or collected thereafter shall be turned over to Debtor.

5. In the event Lender believes that Debtor has not complied with the terms of this Order, Lender shall be entitled to an expedited hearing on whether Debtor's use of cash collateral will continue.

Dated: October 2, 2009

/e/ Nancy C. Dreher

Nancy C. Dreher, Chief Judge
United States Bankruptcy Court

NOTICE OF ELECTRONIC ENTRY AND
FILING ORDER OR JUDGMENT
Filed and Docket Entry made on 10/2/09
Lori A. Vosejpkka, Clerk, By KK